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S E C R E T SECTION 01 OF 03 BAGHDAD 003764

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TAGS: [PBTS](#) [PREL](#) [MARR](#) [MOPS](#) [IZ](#) [KU](#)
SUBJECT: IRAQI-KUWAITI BILATERAL ISSUES

REF: A. BAGHDAD 3367
[1](#)B. BAGHDAD 2944
[1](#)C. BAGHDAD 2427

Classified By: Senior Advisor Gordon Gray for reasons 1.4 (b) and (d).

SUMMARY

[1](#)1. (S/REL MNFI) In a November 26 meeting, Deputy Foreign Minister Haj Hamoud told Senior Advisor Gordon Gray that the proposed Memorandum of Understanding (MOU) for notifying Kuwait prior to undertaking a wreck-clearing project in the Khor Abdullah (KAA) waterway remained mired in the bureaucracy of the Prime Minister's office. Citing the poisonous relationship between Foreign Minister Zebari and the Prime Minister, Hamoud said that it was a serious problem for the Ministry, even down to the working level. Hamoud rejected the idea of the MFA notifying Kuwait on its own and discussed the historical basis for Iraq's claim to the Khor Abdullah.

[1](#)2. (C/REL MNFI) Hamoud also discussed the continued problem of removing a small structure (which he said had been built by British forces) on the Iraq-Kuwait border, which has adversely affected the entire discussion of border issues between the two countries. Hamoud expressed hope that the Kuwaiti Prime Minister will still visit Iraq in the near future, but was less hopeful on the topic of naming an Ambassador to Kuwait any time soon. Hamoud decried the fact that the MFA would soon face an "experience deficit" as senior diplomats retired just as Iraq needed to send ambassadors to many "important countries," including Kuwait. End summary.

MOU: STUCK IN BUREAUCRACY OF PM'S OFFICE

[1](#)3. (C/REL MNFI) Senior Advisor Gray and pol-mil officer (notetaker) met with MFA Deputy Foreign Minister Haj Hamoud on November 26. Asked about the long-standing issue of providing a Memorandum of Understanding (MOU) to the Kuwaiti government on wreck clearing in the KAA, Hamoud - as he has done on several previous occasions (reftels) - reverted to an explanation of the inter-ministerial committee charged with addressing all issues related to Kuwait. The committee, comprised of the Ministers of Foreign Affairs, Finance, Oil, and Interior, as well as Hamoud, agreed two months ago to send Hamoud to Kuwait to prepare for the visit of the Kuwaiti Prime Minister. In the interim, however, the Prime

Minister's cabinet decided to send a Minister instead and, therefore, the Minister of Finance went rather than Hamoud. "The result was very limited," Hamoud said, because the Kuwaitis insist on starting discussions with two issues he described as "very sensitive": compensation and the Khor Abdullah waterway.

KUWAIT CLAIMS FOR COMPENSATION

14. (C/REL MNFI) On the subject of compensation, which Hamoud called the easier of the two problems, he said there were two figures being discussed: the amount of USD 4 billion was agreed upon for environmental claims and the amount of USD 24 billion was discussed for personal, corporate and governmental compensation. However, he felt it was likely an agreement would be reached "under the umbrella of the United Nations."

KHOR ABDULLAH: THE MORE DIFFICULT ISSUE

15. (C/REL MNFI) Hamoud said the issues dealing with KAA were going to be more difficult to resolve. He tried to assert that the UN technical committee charged with determining the border between Iraq and Kuwait was initially charged with determining the land border only, not maritime boundaries, and therefore stopped at pillar 106, the Port of Um Qasr.

BAGHDAD 00003764 002 OF 003

16. (C/REL MNFI) In what Iraq saw as proper placement of the maritime border, the chairman fixed it along the west side of the Khor al-Zubair (a waterway north of Um Qasr) but in the Khor Abdullah, he fixed the border at the midline. Hamoud claimed such placement was "contrary to custom," ignored the ratification of the land and maritime boundaries in UN Security Council resolution 833, and asserted that "in fact, all of the KAA is Iraqi territory." Hamoud quickly added that the GOI knew the Kuwaitis would not be pleased by such a position and, therefore, the GOI refrained from raising it with the GOK, aware that it would surely have a negative impact on their bilateral relationship.

17. (S/REL MNFI) When Gray again raised the topic of the GOI providing an MOU to the GOK to do wreck-removal in the KAA, Hamoud reverted to what has become a standard response: "We have studied the MOU, we commented on it, we sent it to the cabinet. We sent it months ago and now we are waiting," he said in exasperation. Hamoud asked that his following comments be regarded as "off the record" and said that there was a poisonous relationship between Prime Minister Maliki and Foreign Minister Zebari, which permeated down to the working level. This MOU is "frozen" in the bureaucracy of the Prime Minister's office, he concluded.

18. (C/REL MNFI) Highlighting the intent of UN Security Council Resolution 833 to guarantee freedom of navigation for both countries, Gray urged the Iraqi MFA to notify the GOK on its own, even without use of the MOU. Hamoud was not supportive of the idea, insisting that the work start under the terms of the MOU since it clearly stated there would be no prejudice to either's claims regarding the border.

THE BUILDING ON THE BORDER NEEDS TO GO

19. (C/REL MNFI) In response to a question about the Iraqi farmers straddling the Iraqi/Kuwaiti border (ref C), Hamoud noted the problem of the small concrete structure (which he claimed had been built by British forces) between pillars 105 and 106 needed to be resolved first. He explained that

resolution of the problem lay with the governor of Basra - who had done nothing despite repeated letters from Hamoud asking him to remove the building. Gray replied that he would visit Basra on November 30 and would explore the issue with the governor; he also asked if there were any reason why British soldiers could not remove the structure. Hamoud said there was not. "This small issue affects the entire discussion about the border," Hamoud said. He explained that once this matter was resolved, the Iraqis wanted to build a road that will run parallel to the border for its entire length, which the Kuwaitis have already done on their side.

NAMING AN AMBASSADOR TO KUWAIT?

¶10. (C/REL MNFI) Gray asked Hamoud whether there had been any progress in naming an Ambassador to Kuwait and noted USG disappointment that Kuwait was not on the list of six countries in the region for which ambassadors were recently announced. Hamoud responded that there were internal struggles among various interests vying to see one of their own nominated to high-level MFA postings, which he said Qown nominated to high-level MFA postings, which he said "affected everything." He explained that Iraq needed more than 50 ambassadors - some in "important countries" including the U.K. and Egypt as well as Kuwait. He commented that many senior MFA officials were at, or nearing, retirement age (including him) and that the level of expertise and experience at the ministry was soon to diminish greatly.

KUWAITI PRIME MINISTER TO VISIT IRAQ?

¶11. (C/REL MNFI) In asking Hamoud for his assessment of the likelihood of a visit by the Kuwaiti Prime Minister, Gray noted that the USG has encouraged the visit to proceed without pre-conditions. Hamoud pointed to the current political "crisis" in Kuwait which might lead to the dissolution of the Kuwaiti parliament. Iraq was in a position of waiting to see what would happen. He said the GOI was aware that members of the Kuwaiti Parliament learned

BAGHDAD 00003764 003 OF 003

that some Iraqi politicians called Kuwait Iraq's nineteenth province and this had naturally angered them. "This affected our relationship in a very bad way," he said. He added that some sensitive issues - including compensation for Kuwaiti airways - were very difficult to resolve. "They went to the British tribunal and got a good position from them and this will also affect our relationship." Hamoud concluded that the argument was "all about money," and money should not affect the relationship between Iraq and Kuwait noting Kuwait's vast income from oil and other revenue sources.

COMMENT

¶12. (C/REL MNFI) Iraq's unwillingness to address the GOK on the upcoming work in the Khor Abdullah does not bode well for a successful endeavor to clear the wrecks or to survey the seabed. We will continue to impress upon the highest levels of the GOI the need to send the MOU to Kuwait forthwith, as work is now ready to start by the contracted company. We also hope that the November 11 "KAA Interoperability Protocols" signed by the GOI and GOK navies may prevent any incidents. End comment.
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